

LINDA LINGLE  
GOVERNOR



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DEPARTMENT OF TRANSPORTATION  
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IN REPLY REFER TO:

Board of Land and  
Natural Resources  
State of Hawaii  
Honolulu, Hawaii

ISSUANCE OF NON-EXCLUSIVE RENT-A-CAR CONCESSIONS  
HONOLULU INTERNATIONAL AIRPORT

OAHU

The Department of Transportation (DOT) proposes to offer concession agreements for non-exclusive Rent-A-Car Concessions (Concessions) to operate from the planned consolidated rent-a-car facility at Honolulu International Airport on the Island of Oahu. The following contains a description and summary of some of the major terms and conditions that the DOT anticipates incorporating into the Concession Agreements and companion Premises Leases:

PURPOSE:

To award all qualified entities submitting qualified bids to operate non-exclusive Concessions from the consolidated rent-a-car facility at Honolulu International Airport.

LEGAL REFERENCE:

Chapter 102, Hawaii Revised Statutes, as amended.  
Chapter 171, Hawaii Revised Statutes, as amended.

LOCATION AND TAX MAP KEY:

Honolulu International Airport, Island of Oahu, Hawaii  
1<sup>st</sup> Division – 1-1-03:Portion of 1

PREMISES:

- At the Commencement of the Premises Lease:

Ready/Return and Customer Service

Each successful bidder will be provided ready/return and customer service space in the consolidated rental car facility according to the allocation formula in the concession documents.

ITEM M-7

- During the term of the Agreement:

The DOT may, at the DOT's sole discretion, require or permit the Concessionaire to add additional spaces.

ZONING:

Land Use: Urban  
County: Industrial (I-2)

LAND STATUS:

Section 5(a), Hawaii Admission Act – Non-ceded  
DHHL 30% entitlement lands: Yes\_\_\_ No X

TERM:

The Concession Agreement and related Premises Lease will be for fifteen years commencing on the date of beneficial occupancy of the consolidated facility.

CONCESSION FEE AND PREMISES RENTAL:

The total annual concession fee established in the Concession Agreement shall be the greater of the following:

- Minimum Annual Guaranteed Fee. The minimum annual guaranteed concession fee for each year of the Concession Agreement shall be as set forth in the Concessionaire's Bid Proposal (hereafter the "MAG"), or
- Percentage Fee. Ten percent (10%) of the gross receipts of the concession.

The upset minimum annual concession fee shall not be less than ONE HUNDRED THOUSAND AND NO/100 DOLLARS (\$100,000.00).

The premises rent under the Premises Lease shall be established by appraisal prior to the date of beneficial occupancy.

DBE GOAL:

No DBE goal has been established at the outset of this Concession.

**IMPROVEMENTS:**

The Concessionaire will accepting the customer service space in loft condition and will be required install all leasehold improvements and personalty required to operate from the consolidated facility in accordance with the facility's design requirements and DOT and county building standards.

**CHAPTER 343, HRS - ENVIRONMENTAL ASSESSMENT:**

The subject land area is included in the Environmental Assessment for the Honolulu International Airports Modernization Program. A draft of the Environmental Assessment is expected to be available in August 2010.

**BASIS OF AWARD:**

The award of the Agreements will be to the highest responsible bidders based upon the total amount of the minimum annual guaranteed concession fee bid.

**REMARKS:**

The construction of the consolidated Rent-A-Car facility at Honolulu International Airport will establish a new level of customer service for the traveling public, reduce the number of buses continually circulating on airport roads, provide a single location for the pickup and return of rental vehicles, and reduce demand for additional land area to accommodate the customer service needs of the car rental industry. The construction of the facility and the issuance of the concession offerings have the support of the local car rental industry.

Funding for the development of the consolidated Rent-A-Car facility comes from the Rental Motor Vehicle Customer Facility Charge Special Fund. In order to provide sufficient funding for the project, each successful bidder for a concession at the facility will be required to collect the Rental Motor Vehicle Customer Facility Charge from its customers as of September 1, 2010.

RECOMMENDATION:

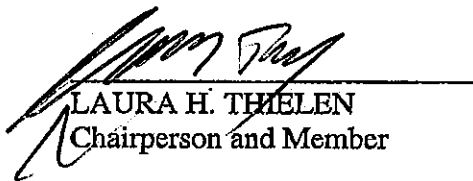
That the Board authorize the call for sealed bid tenders and issuance of new non-exclusive Rent-A-Car concessions subject to: (1) the terms and conditions hereinabove outlined; (2) such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interest of the State; and (3) the review and approval of the Department of the Attorney General's Office.

Respectfully submitted,

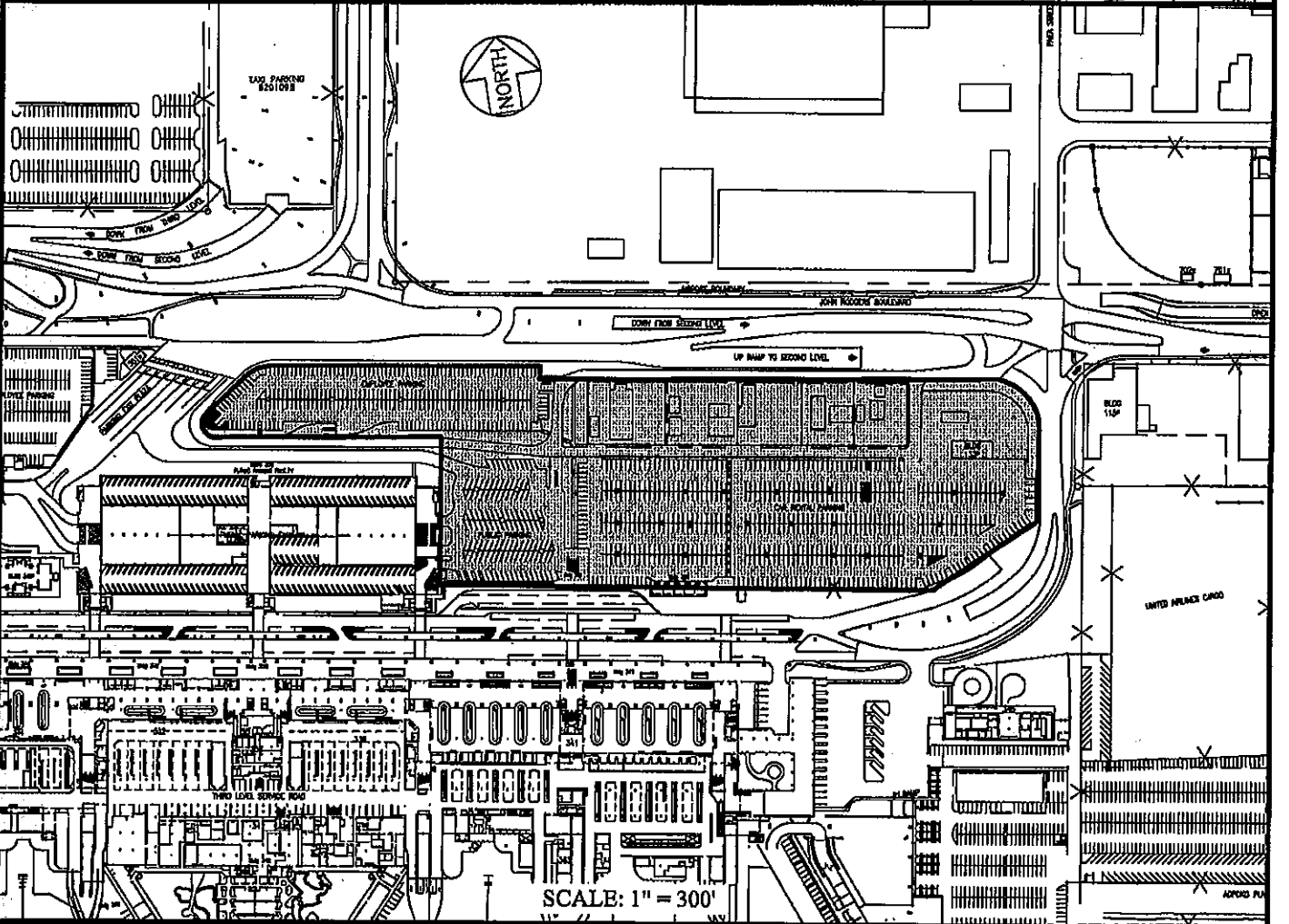
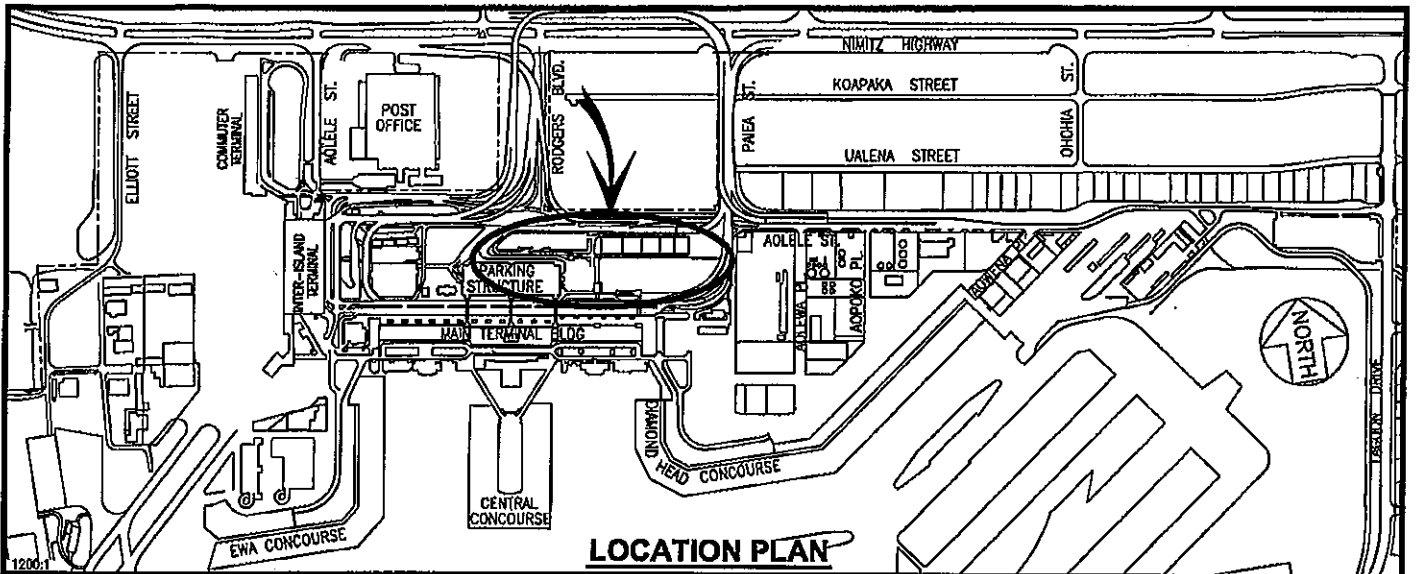


BRENNON T. MORIOKA, Ph.D., P.E.  
Director of Transportation

APPROVED FOR SUBMITTAL:



LAURA H. THIELEN  
Chairperson and Member



DATE : APRIL 2010

EXHIBIT: **A**



Airports Division

**CONSOLIDATED  
RENT-A-CAR FACILITY**

**LOCATION PLAN**

**HONOLULU INTERNATIONAL AIRPORT**

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